

Message Text

LIMITED OFFICIAL USE

PAGE 01 BELGRA 03789 311656Z

62

ACTION EUR-25

INFO OCT-01 ISO-00 SAJ-01 EB-11 AID-20 CIAE-00 COME-00

FRB-03 INR-11 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12

SP-03 CIEP-03 LAB-06 SIL-01 OMB-01 INT-08 DODE-00

PM-07 H-03 L-03 NSC-07 PA-04 PRS-01 SS-20 USIA-15

FEA-02 DRC-01 /177 W

----- 053549

R 311405Z JUL 74

FM AMEMBASSY BELGRADE

TO SECSTATE WASHDC 146

INFO AMEMBASSY MOSCOW

AMCONGEN ZAGREB UNN

LIMITED OFFICIAL USE BELGRADE 3789

E.O. 11652: N/A

TAGS: EGEN, YO, UR

SUBJ: CRITICISM OF YUGOSLAV-SOVIET ECONOMIC RELATIONS

1. IN ARTICLE ENTITLED "UNUSED OPPORTUNITIES" , BELGRADE DAILY POLITIKA OF JULY 29 CRITICIZES PERSISTENT OBSTACLES TO DEVELOPMENT OF TRADE AND OTHER ECONOMIC RELATIONSHIPE BETWEEN YUGOSLAVIA AND USSR.

2. CONCLUSION IN MOSCOW OF ARRANGEMENTS FOR SOVIET FINANCING OF SECOND STAGE OF SMEDEREVO METALLURGICAL COMBINE - OVER 1 1/2 YEARS AFTER SOVIET CREDIT FOR THIS AND 37 OTHER PROJECTS - LED TO CHERRY SOVIET COMMENT ABOUT PROGRESS OF YUGOSLAV-SOVIET COOPERATION, PAPER NOTES - BUT SUGGESTS THAT, IN TRUTH, THERE IS NOT THAT MUCH TO CHEER ABOUT.

3. OVERALL EXCHANGE OF GOODS THIS YEAR WILL INCREASE BY OVER 60 PERCENT TO 1.3 BILLION DOLLARS - PAPER PREDICTS - BUT GROWTH IN VOLUME WILL AMOUNT TO ONLY 10 PERCENT, WITH ALL REST ACCOUNTED FOR FOR BY RAPID INCREASE IN PRICES OF RAW MATERIALS AND
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BELGRA 03789 311656Z

SEMI-FINISHED GOODS.

4. "IT CANNOT BE SAID THAT EVERYTHING PROCEEDED SMOOTHLY IN GOODS EXCHANGES THIS YEAR," PAPER NOTES. " THERE WERE UNPLEASANT OCCURRENCES, INCLUDING DELAYS IN CONCLUSION OF AGREEMENTS ON DELIVERY OF SOVIET CRUDE OIL." MOREOVER, "YUGOSLAV WISH TO IMPORT EQUIPMENT FOR COAL MINES RAN INTO WALL OF STIFF PLANNING," WITH SOVIET SIDE FINDING IT EXTREMELY DIFFICULT TO FIND SOLUTION "OUTSIDE EXISTING PLAN." ON EXPORT SIDE, SOVIET "ADMINISTRATIVE OBSTACLES" INTERFERED WITH YUGOSLAV INITIATIVES TO SELL GOODS WHICH HAD NOT BEEN INCLUDED IN FORMAL LISTS FOR THE YEAR.

5. TRADE WOULD BE HIGHER IF PROGRESS COULD BE MADE IN INDUSTRIAL COOPERATION, POLITIKA NOTES, BUT IN THIS SPHERE " ONLY FIRST STEPS ARE NOW BEING TAKEN. DIFFERENCES BETWEEN TWO SYSTEMS ARE DUCKING EFFORTS TO DEVELOP INDUSTRIAL COOPERATION INTO COMPLICATED AND LONG-DRAWN OUT PROCESS."

6. POLITIKA ALSO PLACES SHARE OF BLAME ON YUGOSLAV FIRMS, FOR NOT PAYING ENOUGH ATTENTION TO QUALITY OF GOODS EXPORTED TO USSR, AND FOR COMETING UNFAIRLY WITH EACH OTHER.

7. COMMENT: PUBLISHED CRITICISM OF RELATIONSHIP WITH SOVIETS CONTRASTS WITH FAVORABLE RECENT PUBLICITY FOR PROGRESS IN US-YUGOSLAV ECONOMIC COOPERATION, INCLUDING NEW CHAMBERS AND TRADE GROWTH (SEE BELGRADE 3380, 3442, 3695), EXIM BANK CREDITS AND JOINT VENTURES. CRITICISM REFLECTS CONTINUED VERY SLOW PROGRESS TOWARD INDUSTRIAL COOPERATION AND TOWARD REALIZATION OF 540 MILLION DOLLAR SOVIET CREDIT EXTENDED NOVEMBER 1972, DESPITE STEADY STREAM OF VISITING SOVIET HIGH-LEVEL OFFICIALS AND EXPERTS. IT ALSO SUGGESTS UNHAPPINESS WITH STIFF PRICES SOVIETS ARE DEMANDING FOR OIL AND BASIC MATERIALS.
TOON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, ECONOMIC DEVELOPMENT, PRESS COMMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 31 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BELGRA03789
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740208-0850
From: BELGRADE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974074/aaaaacxx.tel
Line Count: 94
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 10 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 JUN 2002 by boyleja>; APPROVED <25 FEB 2003 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CRITICISM OF YUGOSLAV-SOVIET ECONOMIC RELATIONS
TAGS: EGEN, YO, UR
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005